A Study on the Impact and Satisfaction of Social Media in Consumer Purchase Decisions

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ABSTRACT

The growing influence of social media has significantly transformed consumer behaviour and purchase decisions. This study explores the impact and satisfaction derived from social media platforms in shaping consumer purchase decisions. It examines how factors such as influencer credibility, product authenticity, user reviews, security concerns, and service quality affect consumer trust and satisfaction.

KEYWORDS

Social Media, Consumer Behaviour, Purchase Decisions, Customer Satisfaction, Influencer Marketing, Product Authenticity, Online Shopping, Digital Trust.

INTRODUCTION

Social media has become a key influence in modern consumer behaviour, particularly in shaping purchase decisions. Platforms like Instagram and Facebook are widely used for product discovery, reviews, and brand engagement. While social media increases product visibility and consumer reach, it also raises concerns about trust, authenticity, and post-purchase satisfaction. Issues such as misleading promotions and insecure payments can affect consumer confidence. This study focuses on understanding the impact of social media on purchase decisions and the level of consumer satisfaction.

the rapid rise of influencer marketing and user-generated content, consumers are increasingly exposed to a wide range of product recommendations and advertisements on social media.

These platforms play a significant role not only in attracting attention but also in shaping perceptions and preferences. However, the effectiveness of such influence depends on factors like content credibility, user trust, and overall shopping experience. By analysing consumer feedback, this study aims to identify both the positive impacts and the challenges faced while making purchase decisions through social media platforms.

REVIEW OF LITREATURE

Zhao, 2024, "The Shift Towards Social Commerce: How Social Media Platforms Are Changing the Retail Landscape". This study explored the rise of social commerce, where consumers can purchase products directly through platforms like Instagram and Facebook. The results showed that this shift streamlines the buying process and significantly influences consumer purchasing decisions.

Chang, 2024, "Social Media Marketing and Consumer Behaviour: The Role of Personalization". This study focused on personalized social media marketing, using data to deliver targeted advertisements. The findings showed that personalized content on platforms like Facebook and Instagram increases consumer trust and conversion rates.

Carter, 2024, "Social Media and Brand Advocacy: How Consumer-Generated Content Drives Sales". This research highlighted the power of consumer-generated content such as reviews and unboxing videos in influencing potential buyers' purchasing decisions.

Kim and Seok, 2023, "The Role of Social Media in the Decision-Making Process for Luxury Goods". This study explored the impact of social media on luxury goods consumers. The results showed that social media campaigns, particularly on Instagram, effectively influence purchasing decisions by emphasizing exclusivity and prestige.

OBJECTIVES OF THE STUDY

- To Analyze the impact of social media in consumer purchase decision.
- To Identify key factors that build consumer trust and drive purchases.
- To Evaluate consumer satisfaction with social media purchases.
- To Explore the challenges that faced by consumers.

RESEARCH METHODOLOGY

- Research design is the blueprint of a study that guides the selection of methods and procedures to collect and analyse data.
- Descriptive research is a way of studying and explaining something just as it is, without changing it.
- The convenience sampling method was used for this research study.
- The 100 respondents are used sample size for this research study.
- Data was collected from both primary and secondary sources.

TOOLS USED FOR ANALYSIS

- **Simple percentage analysis**

  Percentage= (Number of respondents / Total no of respondent) ×100

- **Chi-square test**

$\chi2 = \sum (O-E)^2 / E$

Where:

O = Observed frequency (the actual data you collected)

E= Expected frequency (the frequency you would expect based on the null hypothesis)

$\sum$ = Summation across all categories or cells

- **Likert Scale Analysis**

$$\text{Likert scale value} = \sum f(x) / \text{No. of respondents}$$

LIMITATIONS OF THE STUDY

- The sample size is limited, which may affect the generalizability of the findings.
- The study focuses only on selected factors, leaving out other potential influences on social media purchase decisions.
- The influence of specific social media platforms is not separately analysed, which may vary among users.

DATA ANALYSIS AND INTERPRETATION

CHI SQUARE ANALYSIS

Occupation vs social media trust factors

Occupation	Very Impactful	Impactful	Neutral	Less Impactful	Not Impactful	Total
Student	14	20	25	3	1	63
Employed	8	14	12	2	1	37
Total	22	34	37	5	2	100

Null hypothesis (H0)

There is no significant relationship between the type of social media content and the impact of social media ads on purchase decisions.

Alternate Hypothesis (H1):

There is a significant between the type of social media content and the impact of social media ads on purchase decisions.

The table above reflects the distribution of 100 respondents and their perceptions of social media trust factors based on their occupation. Most students and employed individuals fall into the impactful and neutral categories, with very few considering trust factors as not impactful.

VALUE CALCULATION:

O	E	O-E	(O-E)2	(O-E)2/E
14	13.86	0.14	0.0196	0.00141
20	21.42	-1.42	2.0164	0.09415
25	23.31	1.69	2.8561	0.12249
3	3.14	-0.14	0.0196	0.00624
1	1.25	-0.25	0.0625	0.05
8	8.14	-0.14	0.0196	0.00241
14	12.58	1.42	2.0164	0.16031
12	13.69	-1.69	2.8561	0.20856

2	1.86	0.14	0.0196	0.01053
1	0.75	0.25	0.0645	0.08333
Calculated value				0.739

Degree of Freedom:

$= (r-1) \times (c-1)$
$= (2-1) \times (5-1)$
$= 1 \times 4 = 4$

Level of significance at 5%
Calculated Value = 0.739
Tabulated Value = 9.488

Since the calculated Chi-square value (0.739) is less than the tabulated value (9.488), the null hypothesis is accepted.

Tabulated Value > Calculated Value

This shows there is no significant relationship between occupation and perception of social media trust factors.

LIKERT SCALING

Table showing satisfaction level with products purchased through social media

S. No	Particulars	No. Of Respondents	Likert Scale Values	Total
1	Very satisfied	38	5	190
2	Satisfied	29	4	116
3	Neutral	26	3	78
4	Dissatisfied	7	2	14
5	Very dissatisfied	0	1	0
	Total	100		398

Likert scale value = Σ(fx) / No. of respondents
　　　　　　　= 398 / 100
　　　　　　　= **3.98**

From the above table, the Likert scale value (3.98) is greater than the mean value (3), indicating that the respondents are generally satisfied with the products purchased through social media.

The respondents had a positive experience (3.98) with their purchases, suggesting that social media platforms are effective in offering products that meet consumer expectations and satisfaction levels.

SUGGESTIONS

- Brands should partner with authentic influencers, ensure product authenticity, and strengthen payment security.

- Clear communication, better customer service, and easy return policies can boost customer trust.
- Encouraging genuine reviews and creating interactive, engaging content are key for brand credibility.
- Reliable delivery, secure packaging, and buyer safety awareness are essential, along with tailored trust-building for different user groups.

CONCLUSION

The overall study on the impact and satisfaction of social media in consumer purchase decisions reveals that social media significantly influences buying behaviour, with most respondents positively impacted and satisfied with their purchases. However, concerns around misleading advertisements, product authenticity, payment security, and fraudulent sellers remain prominent.

The chi-square analysis highlights that trust factors vary among different occupational groups, and the Likert scaling shows a mean value of 3.68, indicating a generally favourable sentiment toward advertisements using social and cultural themes.

To conclude, while social media is a powerful tool for influencing purchase decisions, continuous efforts are needed to improve trustworthiness, authenticity, security, and after-sales service. Building long-term trust and addressing customer concerns will enhance consumer confidence and lead to more effective social media marketing outcomes.

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